

# **FLIGHT CENTRE**

## **TRAVEL GROUP™**

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – December 10, 2025

### **FLIGHT CENTRE TRAVEL GROUP TO ACQUIRE IGLU TO ACCELERATE CRUISE GROWTH**

#### **Key Points**

##### **Transformational UK Cruise Acquisition**

- Accelerates growth in high-potential, higher margin cruise sector
- Annualised cruise-related TTV now set to top \$2b during FY26, two years ahead of plan, and adds scalable digital platform, omni-channel capabilities to FLT's global network

##### **Attractive Terms**

- GBP100m upfront payment + up to GBP27m in performance-based earnouts
- Based on GBP122m EV, 7.25x FY26F pro-forma EBITDA including synergies
- Delivering immediate shareholder benefits – expected to be EPS accretive in FY26 with strong growth potential and further synergies available in medium-term

##### **FY26 Profit Guidance Upgraded to \$315m–\$350m**

- Circa 3% increase to reflect Iglu's expected part-year UPBT contribution

##### **Acquisition Overview and Strategic Rationale**

FLIGHT Centre Travel Group (FLT) has accelerated growth in the highly attractive cruise sector by agreeing to acquire Iglu, the United Kingdom's leading online cruise agency. Completion of the acquisition is subject to a number of procedural steps, and is expected to be concluded before commencement of business on 11 December 2025.

The acquisition significantly expands FLT's cruise footprint, delivering scale, advanced technology and broader access to the UK – the world's third-largest cruise market.

In addition, Iglu's industry-leading, proprietary digital platform will:

- Integrate across FLT's leisure brands to accelerate sales and create a unified, omni-channel experience for cruise customers; and
- Serve as a springboard for entry into the US and other high-growth markets

Cruise is a rapidly growing leisure sector, with sales at both FLT and Iglu increasing 15-20% year-on-year, driven by a resilient customer base and a supply chain that is investing heavily in new ships and partnerships.

Iglu also has an attractive margin profile – 3.1% FY25 EBITDA margin versus 2.2% across FLT's leisure division – and, on a pro-forma basis, is forecast to deliver GBP14.8m in adjusted EBITDA from roughly GBP450m in TTV during FY26.

With Iglu onboard, FLT's cruise-related TTV will almost double to surpass \$2b (annualised) during FY26 – two years ahead of plan.

A \$3b-per-year FY28 stretch target is now in place, supported by a rounded cruise network spanning online, offline and wholesale channels (illustrated in the supplementary detail).

In the UK, Iglu adds an online cruise platform to a leisure portfolio featuring Flight Centre, Scott Dunn (luxury) and Cruise Club UK. This diversified portfolio is set to deliver more than \$1.5b in annualised TTV during FY26, reducing leisure's Southern Hemisphere weighting.

Scott Dunn's strong performance since its January 2023 acquisition complements Iglu's scalable technology and UK presence, unlocking new opportunities in high-growth sectors.

FLT managing director Graham Turner said: "This acquisition delivers immediate shareholder value through EPS accretion and is a game-changer in terms of the future opportunities it unlocks in the global cruise market. Iglu brings a strong brand and a scalable technology platform that aligns with FLT's strategic objectives."

#### **Summary: Deal Structure**

- Upfront Payment: GBP100m
- Performance-Based Earn-Outs: Up to GBP27m
- Enterprise Value: GBP122m, equating to 7.25x FY26F EBITDA (including synergies)
- Annualised Synergies: Approx. GBP2.1m expected within two years
- Funding: Cash and existing debt facilities
- EPS Impact: Expected to be EPS accretive in FY26

#### **Summary: Strategic Synergies**

- Global Expansion: Scale Iglu's e-commerce platform across FLT's leisure brands
- Supplier Leverage: Increase buying power and broaden global product range
- Procurement Efficiencies: Drive savings in non-travel categories
- Operational Efficiencies: Reduce costs and share technology infrastructure

## About Iglu

Within the intermediary market, London-based Iglu currently captures more than 15% of UK cruise bookings and more than 75% of online bookings. Cruise accounts for around 90% of Iglu's total bookings, with ski (Iglu Ski) contributing the remaining 10%.

Post acquisition, CEO David Gooch will continue to lead the business, which was founded in 1998 and will now form part of FLT's global leisure division under CEO James Kavanagh.

"We are thrilled to become part of the Flight Centre Travel Group," Mr Gooch said. "This opens up significant future growth opportunities, allowing us to scale our operations while maintaining the unique identity that has made us successful."

"By leveraging Iglu's world-leading ecommerce platform alongside Flight Centre's global experience, we are perfectly positioned to capture market share. Most importantly, the strong cultural fit between our businesses gives me great confidence that we will continue to deliver exceptional value to our customers and people."

The transaction marks an exit for UK private equity investor LDC, co-investor Beauport Partners and founder Richard Downs and follows a transformational 10-year partnership to create the UK's leading cruise online travel agency.

## FY26 Guidance Increased Circa 3%

FLT has upgraded FY26 UPBT guidance to \$315m–\$350m (previously \$305m–\$340m) to reflect Iglu's expected contribution. The mid-point of this new range represents 15% growth on FY25's \$289.1m result.

FY26 1H expectations (UPBT broadly in line with FY25) are unchanged, given the acquisition's timing.

The group will continue its capital management initiatives, including the up to \$200m on-market buy-back program launched in May 2025. To date, FLT has invested almost \$110m to repurchase 8.6m shares, reinforcing its commitment to shareholder returns.

## Advisors

FLT's advisors on the transaction included BDO (mergers & acquisitions, financial due diligence and tax) and Bird & Bird (legal).

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FLT's Board has authorised this announcement.

## **Supplementary Information**

### **FLT's Global Cruise Network**

- Iglu
- Cruiseabout network (Australia)
- Package specialists MyCruise (Australia) & Cruise Club UK
- CruiseHQ (wholesale)
- Brands selling cruise: Flight Centre, Travel Associates, Scott Dunn, Envoyage

## **Glossary**

EBITDA: Earnings before interest, tax, depreciation and amortisation

EBITDA Margin: EBITDA/TTV

EPS: Earnings per share

1H: First half

FY26: Fiscal year 2026

FY26F: FY26 forecast

GBP: Great Britain pound

TTV: Total transaction value

UPBT: Underlying profit before tax